

French Stand On Loan Halts Bankers' Plan

Refusal of Paris to Vote With Allies in Granting Financiers Full Powers Holds Up Negotiations

Cut in Reparations Stumbling Block

Poincare Declares Nation Will Press for Complete Payment by Germany

By Wilbur Forrest
Special Cable to The Tribune
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PARIS, June 7.—Whether to proceed with the discussion of a large loan to Germany, taking into con-

consideration a reduction of the reparations debt, without the collaboration of France, Germany's chief creditor, was the great question before the meeting of international bankers to-day.

The bankers met to-day after the Reparation Commission announced its decision to authorize the bankers if they saw fit in framing a loan proposal, to scale down reparation payments. France alone withheld sanction to this feature of the report.

and The Tribune correspondent learned to-night that she would remain firm in this attitude. It is understood that Roland W. Boyden, American unofficial observer, though not empowered to vote in the con-

mission, joined with England, Belgium and Italy in granting extended latitude to the bankers to propose the German loan.

The bankers received a 3 to 1 vote in the commission. They admitted

France Against Debt Cut

The attitude of France, it was learned to-night, is that she has no desire to join in any action that would give her consent to the principle of scaling down of German reparations, unless there were some compensation in the way of a reduction of her own war debt.

taken by France. The first is that she desires to learn the outcome of her negotiations with the United States regarding the funding of her debt in America before granting any concessions to Germany, and the second is that if Germany is able to clear up her reparations problem, through the aid of the Allies, he will in a few years

Premier Poincare appeared this afternoon before the Senate Committee on Foreign Affairs and announced that France was ready to pay for full pay-

The most important phase of the loan situation, however, is the forthcoming decision of the bankers tomorrow whether to continue the dis-

The situation places the bankers, including J. P. Morgan, in a delicate position. They must decide whether to proceed in the face of a hostile attitude on the part of the French gov-

The French viewpoint of the functions of the bankers is summed up in the "Temps" to-night, when it says: "Our allies believe that the bankers should be allowed to develop all ideas that they judge to be interesting without reference to any limitations. The French idea, however, is that the

The "Temps" then quotes the original resolution by the Reparations

Commission creating the bankers' committee, which characterizes the bankers as merely a committee of experts to study the situation and render an opinion of the conditions under which Germany could, in view of the London schedule, raise foreign loans. The newspaper says that the bankers are trying to exceed their powers.

French Alone in Stand

It was after a lengthy and rather hectic meeting of the Reparation Commission that the French stood alone against Great Britain, Belgium and Italy on the question of extending the powers of the bankers to modify any of the agreements made in the London

conference regarding German reparations. Following the meeting, M. Du Bois, the French member and president of the commission, conferred with Premier Poincare and two members of the loan committee. This interview sealed the stand taken by France not to adhere to any move made to extend powers to the bankers, although it was

known that Belgium was prepared to act with the others in making it possible for the loan to be floated by permitting the discussion of Allied debts and the reduction of the German burden.

After this meeting M. Dubouche stood out against the field and the commission sent out a note to the

bankers authorizing an extension of its deliberations to include the possible modification of the German debt. Accompanying this note was attached the individual opinion of each of the members, including that of the dissenting member.

Text of Brokers' Proposal

PARIS, June 7 (By The Associated Press).—A communication issued tonight by the International Bankers' committee, through the Reparation